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Advertising Age

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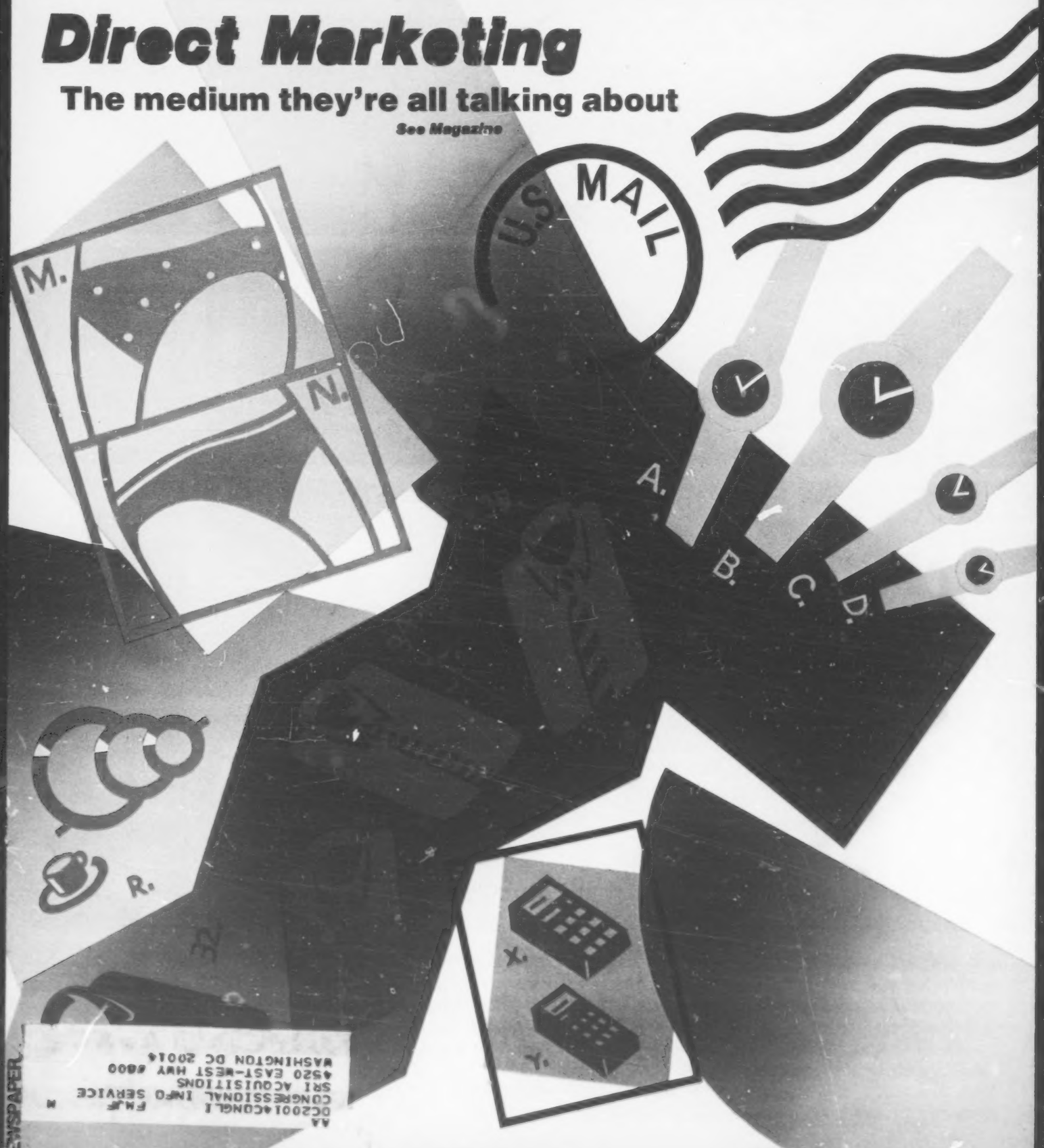
Direct Marketing

The medium they're all talking about

See Magazine



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Tough to make a buck, shops say

An Advertising Age roundup

Advertising agency executives are confident their billings figures will show some growth this year, but their positive projections are mixed with a shot of realism. Modest increases in client ad budgets may not be enough to counter the continually rising media and operations costs faced by agencies.

As articulated by O. Milton Gossett, chairman of Saatchi & Saatchi Compton Worldwide, the general feeling is, "It will be tougher than ever to make a buck in 1983."

A survey of agencies across the country shows that for the most part advertisers are committing to budgets; that budgets are increasing slightly or holding steady; that agencies are continuing to scrutinize out-of-pocket expenses but are not cutting back in the personnel area, and that new business remains the primary hope of agencies expecting to increase profits during the year.

In New York, the picture seems fairly bright. At Compton, for example, Mr. Gossett said Procter & Gamble, Johnson & Johnson, Thompson Medical, American Motors and Paine Webber are increasing spending. The agency's "smokestack industry" clients such as U.S. Steel and Phelps Dodge are being very cautious about their spending. For the year, Compton expects income to be up 15% to 18%, as compared to the 20% increase the agency enjoyed in 1982.

"Clients are displaying a continued commitment to the support of advertising budgets and programs," said William Phillips, chairman of Ogilvy & Mather, adding that some client budgets were up, some down, and some flat.

Though clients are committing monies beyond the first quarter, according to Jack Bowen, president of Benton & Bowles, there is still some cautiousness. "It's about at the same pace it has been for the past three or four months," Mr. Bowen said. "There had been some expectation around the media

(Continued on Page 56)

Sterling bid gets $100 mil

By NANCY GIGES

New York—As Sterling Drug adds $100 million in advertising and promotion for its new headache remedies to the record spending already expected to push analgesics this year, pain relievers likely will become one of the most heavily advertised drug categories in history.

Sterling's Glenbrook Laboratories has prepared promotional materials for the trade that quote president Walter Camas promising a full commitment in supporting the new products.

This spending probably will be equaled if not exceeded by major

rivals, American Home Products for its Anacin line and Johnson & Johnson for Tylenol. J&J's McNeil Consumer Products Co. has said it will spend 60% more in advertising than last year, a figure that totaled an estimated $45 million.

Sterling has positioned its new offerings, Panadol nonaspirin and an improved Bayer line (AA, Jan. 10), as providing "the right otc [over-the-counter] pain reliever for almost every need." The products all are handled by SSC&B.

Although the company wants consumers to perceive the selection as the only group of pain killers they need to consider, each product is getting a separate ad campaign,

(Continued on Page 50)

Advertising Age

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ANA: Net syndication cost too high

By MAURINE CHRISTOPHER

The Assn. of National Advertisers will go before the Assn. of Independent TV Stations national convention Jan. 18 to spell out its opposition to allowing the major tv networks back into domestic syndication. It is expected to tell the friendly audience that lifting the Federal Communications Commission ban will cut back on media choices for advertisers, drive up network ad costs by weakening the spot-market competition and, ultimately, result in higher retail prices for consumers.

Although ANA board members did not want the speech that its immediate past chairman Thomas Ryan will deliver tomorrow in Los Angeles in print beforehand, the Gillette Co. executive apparently will emphasize the potentially adverse effects repeal of the FCC financial interest and syndication rules will have on the public, as viewers and product consumers, as well as sponsors and local telecasters.

The ANA board last week decided to follow the tv committee's recommendation (AA, Nov. 15) and oppose the networks' request for a lifting of the rules that ban the networks from domestic syndication and co-production. Mr. Ryan read the board a draft of the speech he will give for INTV.

In preparation for making its case, the ANA has put together a cost analysis for network, spot and local tv over the last 10 years. This study reportedly points out what repeal might do to weaken independent stations financially.

ANA's case will be presented in still greater detail in comments to be filed with the FCC before the Jan. 26 deadline. ABC, CBS and NBC have asked the commission to repeal the 13-year-old rules and allow them to compete freely with Time Inc., Westinghouse, Getty Oil and other corporate giants in programing for the old and new electronic media. The Big 3's drive to return to the $800 million domestic syndication business has been strengthened by the endorse-

(Continued on Page 54)

D'Arcy moves to rescue N.Y. office

By CHRISTY MARSHALL

New York—In what appears to be a show of faith as well as a tangible shoring up of its struggling New York office, D'Arcy-MacManus & Masius Worldwide is moving its corporate headquarters here from Bloomfield Hills, Mich.

D'Arcy's Manhattan operation has been losing business at an alarming rate, and has been unsuccessful in landing major new business, giving rise to rumors that the agency was about to close the office.

In the past few months, DM&M/New York has lost its Lorillard tobacco business, Heublein's Lancers wine, Chambourcy yogurt from Nestle Co. and the Westinghouse corporate account. For all of 1982, it lost accounts totaling approximately $30 million in billings.

Counting some minor business picked up in the past year, D'Arcy said the office now bills about $70 million, down 22% from 1982 billings of about $90 million. Last year's New York billings accounted for about 8% of the agency's total billings of $1.1 billion, a much smaller percentage than most major agencies derive

(Continued on Page 54)

last minute news

JWT, Jovan split; shop gets Clean 'N Clear

Chicago—Jovan terminated its relationship with JWT here. The company could not be reached for comment on plans for the $5 million account. Jovan's departure leaves JWT open for S.C. Johnson's personal care business (*see earlier story, Page 2*). Meanwhile, JWT was given Johnson's Clean 'N Clear floorcare brand, slated for a $7 million launch this month (AA, Nov. 22). That product previously was with Foote, Cone & Belding here.

CBS-TV commits to 'M*A*S*H' spinoff series

Los Angeles—CBS-TV has given a firm series commitment for a "M*A*S*H" spinoff (AA, Jan. 3) starring Harry Morgan, Jamie Farr and William Christopher to 20th Century-Fox Television. The spinoff will follow the post-Korean War lives of the leads in a veterans' hospital.

Arby's, Church's both go to Grey Advertising

Atlanta—Arby's selected Grey, New York, for its $6 million to $7 million account, while San Antonio-based Church's Fried Chicken picked Grey, Los Angeles, for its estimated $6 million business. Arby's was for-

(Continued on Page 8)

'Jolt people into thinking trains'

Amtrak starts rolling with a new tv effort that attempts to "jolt . . .people into thinking trains," in the words of Joel Baumwoll, president of the Amtrak agency, NH&S/New York. This commercial juxtaposes the hustle of hurrying to the station (right) with the relaxation of a train ride. The $20 million drive includes heavy use of print advertising as well, initially spreads. The campaign is targeted directly at inducing airline travelers to riding the rails.

(See story, Page 55.)

Mobil's 'Nickleby' tops expectations

By DIANE MERMIGAS

The Mobil Showcase Network's long-awaited four-night broadcast of "The Life and Adventures of Nicholas Nickleby" on independent and affiliate stations eroded the commercial networks' usual audience shares and garnered higher ratings than anticipated.

The nine-hour Royal Shakespeare Company presentation of the Charles Dickens' drama last week averaged a 9.6 rating and 14 share (the first three nights) in the six markets where "Nickleby" aired that are metered for overnight viewer tabulations by A.C. Nielsen Co. Twenty-four of the 61 stations in 60 markets comprising Mobil's ad hoc network were affiliates that preempted ABC, CBS or NBC programing for the broadcast.

However, the show averaged declining ratings each night in the six metered markets (New York, Chicago, Los Angeles, Detroit, San Francisco and Philadelphia), drawing an 11.5 rating, 16 share the first night (Jan. 10); a 9.5 rating, 14 share Jan. 11, a 7.8 rating, 12 share Jan. 12 and a 7.8 rating, 12 share Jan. 13. The four-night average in the six markets was a respectable 9 rating, 13 share.

Mobil vp-public affairs Herb Schmertz said that response to the drama "exceeded our expectations." It was expected to average a 7 rating.

In New York, Chicago and Los Angeles, "Nickleby" generally finished third or fourth behind commercial network competition but drew as high as a 12 rating, 16 share in Chicago all four nights. Spokespersons for Chicago's WGN-TV and Metromedia-owned WNEW-TV, New York, and KTTV-TV, Los Angeles, said the special attracted ratings and shares slightly better than that generated by off-network series reruns and movies normally occupying the same time period.

The apparent syndicated success of "Nickleby" injected excitement into what otherwise continues to be a rather dull midseason race among the commercial networks.

CBS broke the monotony of its comfortable prime time lead last week long enough to announce the broadcast of nine new limited series (six comedies and three dramas) this spring as potential prospects for the fall 1983-84 season.

Air dates and times for the se-

(Continued on Page 50)

Seagram rum duels Bacardi

By GAY JERVEY

NEW YORK—Joseph E. Seagram & Sons will try to break its abysmal new-product record with a Feb. 1 national rollout of Captain Morgan's Spiced Rum, a dark version that is competitively priced with Bacardi.

Industry sources unanimously regard Captain Morgan's, actively tested in Maryland, Arizona, Houston and Boston, as the first promising distilled spirit innovation from Seagram in years. Indeed, *Impact*, the liquor industry newsletter, is forecasting that sales could eventually reach 1 million cases a year, a figure achieved by only about 40 brands.

As such, the company will plow substantial ad dollars into the rollout. For the first nine months of 1982, the company spent $507,400 in test—about

(Continued on Page 56)

THE CAR:
New Renault Alliance. We set out to build the best small car in the world.
$5595*
52 MPG
37 MPG
THE AWARDS:
Motor Trend experts name Alliance 1983 Car of the Year.
RENAULT
American Motors

Renault Renown

American Motors' Renault Alliance touts its Car of the Year award from *Motor Trend* with this ad, set for newsweeklies. Tv spots will highlight the award as well, to be followed by a new creative approach next month. The agency is Grey Advertising.

Agree, Glade, others up for grabs

Johnson, NH&S split over Clorox conflict

By JENNIFER ALTER

In an action that indicates NH&S/USA's Chicago office may be winning a little too much new business for its own good, the agency and S.C. Johnson & Son ended their relationship last week.

The split involved approximately $20 million in billings, including the Agree and Enhance haircare lines, Soft Sense skin lotion and Glade air fresheners. They have not been reassigned.

As Needham's oldest client, Johnson had been on the roster since 1929, except for an interruption from 1974 to 1977.

There is some discrepancy as to who really engineered the split. Although a Johnson spokesman said the agency and company "have agreed to dissolve their relationship," NH&S' statement said it resigned Johnson.

Whatever, the dispute centered around a Johnson policy prohibiting its agencies from handling other clients' brands in categories that compete with *any* brands in a Johnson division for which the agency does business.

Specifically, Johnson appears to have been upset by the Clorox business Needham won late last year (AA, Dec. 13). That assignment included Clorox Pre-Wash, which competes with Johnson's Shout. Although Needham did not have Shout, it did have Glade; both brands are in the company's household products division.

Under these terms, the agency needed only to resign Glade, but the policy apparently was too restrictive for Needham to swallow.

According to NH&S president Al Wolfe, "We really respect them and their right to operate on the policies which are the best for their business. But we have to run our own business, too."

The agency statement said the policy was "recently enunciated"; Johnson said the policy has been in effect for some time. A source at J. Walter Thompson USA, another Johnson agency, said he had not been notified of a "recently enunciated" policy.

Needham has been on a new-business hot streak. Earlier this month it was assigned a corporate campaign for Sears, Roebuck & Co.'s merchandising division, with a budget somewhere between $15 million and $40 million.

An added stimulus to Johnson's decision to implement its conflict policy at this time could be Clorox's success with the very product that caused the problem. Johnson's Shout has been hurt by the introduction of Pre-Wash. In mid-1982, Shout's share was down to 22% from 34%, and Pre-Wash had 22%.#

highlights

Monday, January 17, 1983

Business community fears about ballooning federal budget deficits were erupting on two fronts last week, with one business alliance plunging ahead with plans for a spread ad in this Thursday's *Washington Post* that will appeal to President Reagan and Congress to "resolve the budget crisis." *See Page 3.*

A series of cautiously upbeat economic forecasts for 1983 were delivered at last week's National Retail Merchants Assn. meeting in New York. *See Page 6.*

With three new projects under way that are expected to cost the company in excess of several hundred million dollars, Time Inc. is going into 1983 raising capital and watching and controlling costs throughout its diverse operations. *See Page 10.*

The National Advertising Division of the Council of Better Business Bureaus has prevailed upon Thomson Medical to limit its Aqua-Ban claims. *See Page 12.*

Having already transformed the tv industry, cable now is beginning to move in on radio's turf. *See Page 46.*

Two of the three contenders for the Democratic nomination for mayor of Chicago began a new round of tv advertising last week, and their commercials were the result of the same kind of competitive strategy that goes into the marketing of package goods. *See Page 49.*

McDonald's Corp. will follow up the debut of its new advertising campaign with a major national promotion this spring. *See Page 50.*

The strongest joint venture by the movie industry in its so-far-unsuccessful struggle to whittle down Home Box Office's pay tv dominance was announced last week by three film studios and two major satellite entertainment companies. *See Page 51.*

Robert Jordan is the new chairman of Compton Advertising, assuming the post previously held by O. Milton Gossett. Mr. Gossett's new job is to make Saatchi & Saatchi and Compton "jointly the premier multinational client service agency in the world." *See Page 54.*

The National Railroad Passenger Corp. will be calling out, "All aboard Amtrak" in a new $20 million ad campaign that replaces its "America's getting into training" effort. *See Page 55.*

Pfizer's Roerig division is aiming for at least a 7% share of the $466 million cephalosporin antibiotic market with the introduction of Cefobid, an injectable antibiotic that treats serious hospital infections. *See Page 55.*

CORPORATE CLOSEUP

The bloody barroom brawl for control of Pabst Brewing Co. is finally over, leaving the brewer more cut up than whole, but still willing to take on anyone in the joint. *See Page 4.*

VIDEOTECH

Pay tv services partly owned by the Chicago White Sox, Milwaukee Brewers and Detroit Tigers will provide $16 million to launch a national ad-supported cable tv Super Sports Network on April 1, offering a minimum 60 hours weekly of live play by as many as 20 partner Major League Baseball teams. *See Page 36.*

MAGAZINE

Surging past *The Times*, Britain's *Guardian*, a leader among the country's upmarket newspapers, has enjoyed a 50% circulation increase. *See Page M-4.*

Direct Marketing: Marketers in this industry can expect sales volume gains of about 15% when 1982's figures are tallied and could double their annual sales in the next five years—in sharp contrast to most of the rest of the business world. *See Page M-9.*

A Pennsylvania reader expresses her discontent, in an open letter to a prominent company, over the design of a package of pancake mix. *See Page M-54.*

Cover graphics by John Pirman.

REGULAR FEATURES

ACCOUNT CHANGES	45	RESEARCH BEAT	24
ADVERTISING MARKETPLACE	41	RESEARCH PEOPLE	47
CON-SID-ERATIONS	16	SIDEBARS	51
CORRECTIONS & CLARIFICATIONS	6	VIDEOTECH UPDATE	32
EDITORIAL VIEWPOINT	16	VOICE OF THE ADVERTISER	40
FOR THE RECORD	49	WORLD NEWS ROUNDUP	3
GETTING PERSONAL	14		
OBITUARIES	51, 53		
PHOTO REVIEW	20		
PRESSTIME	8		
PUBLIC RELATIONS	48		
REGIONAL NEWS	30		

FIGURES TO FILE

AD PAGES IN FARM PUBLICATIONS FOR 12 MONTHS, 1982-81 47

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Three in shift

Y&R gets $15 million from AHP

By PAT SLOAN

NEW YORK—American Home Products' Whitehall Laboratories played musical chairs with its agency roster again last week, shifting assignments between agencies to lessen the sting of Young & Rubicam gaining $15 million in business formerly at three other shops.

After Y&R announced that it had been awarded Maximum Strength Anacin, Bronitin, Semicid, Sleep-Eze, Neet and Anbesol, it was learned that Kornhauser & Calene had been given Dristan Ultra Strength multisymptom cold tablets, Freezone, Dry & Clear and Cleansing Pads. William Esty Co. also got a new assignment tacked onto its Whitehall product roster in the form of Dristan nasal sprays.

The assignment of four of six products—Maximum Strength Anacin, Bronitin, Semicid and Sleep-Eze—to Y&R had been expected (AA, Jan. 10). Those brands were resigned by Rosenfeld, Sirowitz & Lawson in late 1982.

At the time of the resignation, RS&L management said the

(Continued on Page 54)

Sales sprout from the seeds of segmentation

By Jo Ann Paganetti

There's "Opulence" for the ordering of a new satin gown and a blue fox jacket to go over it. And a "Readers Choice" section of "The Best Report Newsletter" for the snobby acquiring of the best of anything.

Or, if you're more down home, consider the "Vermont Country Store" for old-fashioned stove blacking for your old-fashioned stove, or "Country Notebook" for a kit to stencil your walls in colonial patterns.

And if you're a "La Costa" catalog (directed to health enthusiasts) customer, Harrods of London feels that you're upscale enough and smart enough to translate today's pounds into today's dollars, and so one of the world's premier retailers offers its catalogs in the "La Costa" catalogs for "just $5."

Yes, the direct marketing industry has us segmented by sex and size and income, by interest and hobby and profession, by nationality and religion and brand loyalty, by urban or suburban or country residence, by the credit cards we use and the magazines we read, by the products we will be likely to buy, by recency, frequency and amounts of purchase.

In sharp contrast to the gloomy forecasts of many businesses, Robert F. DeLay, president of the Direct Marketing Assn. (DMA), reports that direct marketers can expect sales volume gains of about 15% when 1982's figures are tallied up and a doubling of annual sales in the next five years. Direct marketing sales volume equaled $125 billion in 1981. Total ad expenditures amounted to $25 billion.

According to Jules Silbert of the Silbert Group, New York, that growth figure will continue to be twice the rate of what retail would be if times are merry and bright. Mr. Silbert, who spent 20 years building the segmented-to-big-and-tall-women Lane Bryant catalog and retail operation, cites some reasons for his expectations: The growing majority of women who work outside the home and have less and less time to shop, the higher energy costs for the retailer and transportation costs for the customer and the customer's acceptance of the catalog as a reliable way to shop.

"Twenty years ago," says Mr. Silbert, "40% to 60% of our customers said they would shop by mail, now 60% to 80% say they would use catalogs."

Most experts agree that after "reliability," the next magic word to make direct marketing successful is "segmentation," having the right merchandise in the right presentation at the right time for the right customer. It's infinitely more profitable to reach 10 interested customers than to tell your story to 100 random prospects.

But unlike the Campari ads, direct marketers can't tell you the first time they segmented. The longtime professionals recall that Sears, Roebuck & Co. and Montgomery Ward & Co. did separate seed and farm equipment and work clothing catalogs "long before you were born." (Segmentation by merchandise.) And they'll tell you that from 1930 to 1940, a period of low profits, low average orders and relatively low sales volume, the large American mail order companies decided to reduce costs by controlling catalog circulation by the recency-frequency monetary method. (Segmentation by mailing lists).

But it was the marketers of the 1970s, the "Great Life Stylers," who gave us segmentation by presentation. Of course, America's retailers developed life style to a state of the art. The same style sweater can be presented by classic Brooks Brothers and contemporary Bloomingdale's in their respectively classic and contemporary catalogs and may sell to two totally different customers.

Bob Stone, chairman of Stone & Adler, Chicago, and a direct marketer since 1938, says that wholehearted segmentation began in the 1960s with the introduction of the computer in business. "What we did before that was geographic segmentation," he says. "We would take a country or a state. But you couldn't get lists by postal zones. That only came with Zip-coding."

John Naisbitt, author of "Megatrends," a book that made the *New York Times* best sellers list and chairman of the Naisbitt Group, a Washington-based research and consulting company, agrees: "Just as highways and roads have promoted more cars, the computer has been a tool that has promoted more complexity and segmentation. Direct marketers are at the forefront of where everybody is going to be. We can all learn from them."

Are there any problems with segmentation? Mr. Naisbitt sees none. What about segmentation canceling out other choices? What if I've been an almond lover for years and buy from an almond catalog? One day, I break a tooth on an almond and never want to see another California nut!

Mr. Naisbitt says there is a market segment for the universal. Once I've made an inquiry (probably through an 800 phone number or letter in response to a newspaper or magazine ad or a cable spot), I may be on to a universal food binge with my choice of pecans or pasta.

I can also take my case to Catalogia, a network of new stores in which shoppers can locate catalogs offering merchandise by computer and then take the catalogs they select into lounging areas to review and shop.

And what about the overpruning of lists? What about the customer who feels neglected and unloved because his favorite catalog company didn't send him a Christmas catalog? Is that segmented listing gone wrong? According to George Burman, vp-marketing with Talbots, the direct marketer that segments to the classic clothing customer, the constant purging of lists is vital. "If anything, many marketers can [make an] error in the other direction—keeping on too many inactives," says Mr. Burman.

In listings, there seems no end to the logic games that can be played with information in the old database. Connecticut direct mail expert, Pierre Passavant, in his seminars for the DMA and others, shows that demographics and product affinity also work as segmentation factors for successful direct marketing.

Joel Jensen, vp-operations with Arthur D. Little, Cambridge, Mass., a consulting company that works with Sears in the catalog circulation area and with other clients on segmentation, explains that with the latest in computer matching providing higher speeds and lower costs, lists can be constructed in even more detail. A list broker might find it worthwhile to match lists and rent the third list as a still better list.

Mr. Jensen also suggests the reverse of a present matching technique as a new angle. Find an outside list that matches the target you are trying to reach, he says. Match it against your own house names. Then, as opposed to using the remaining outside names for market extension, use only the house names that match the outside list for target refinement.

Clay Johnson, director of marketing with Horchow, Dallas, offers what seems to be the only caution direct marketers have about segmentation: "The challenge is to refine our offering and still get a list big enough to offset the high cost of producing the catalog."

In 1982, that refining at Horchow meant segmentation of merchandise and presentation in three new areas with special catalogs for "Fine Linens," "Practicalities" (practical items) and "Another Perspective" (younger merchandise). In 1983, Mr. Johnson says, Horchow will make special offerings to "only our very best customers."

Even a mass-advertising giant like TWA turns to segmentation, with 11% of its total budget spent in direct mail projects, including the "Frequent Flier Bonus" program. "We are so refined," says Nicholas Michael, manager of direct marketing for the airline, "that we can segment and identify our travelers by in-

(Continued on Page M-10)

John Pirman

Jo Ann Paganetti is editor of Retail Ad Week *in New York. She often gives speeches and seminars on the retailer and the new technology.*

Just what the customer ordered

By Robert Ebisch

During this whole turnaround, I have never had a sleepless night," says Henry A. Johnson, president of Spiegel Inc. "I never carry problems home. I don't even worry about them. If you have the right input and calculate the probabilities, what difference does it make whether it's a $20 decision or a $2 million decision?"

Spiegel president Henry Johnson has demanded and received a free hand on the company's controls.

In fact, the turnaround to which Mr. Johnson refers involved far greater sums. Since his hiring as Spiegel's president in 1976, Mr. Johnson has demanded and received a free hand on the $500 million company's controls. He ejected $40 million worth of time-honored mail order products, including automobile tires, batteries, sump pumps and basic low-price furniture from the Spiegel catalog. He replaced them with fashions by Bill Blass and Perry Ellis.

Mr. Johnson completely restructured Spiegel's management and then took it through the closing of the company's free-standing order stores, which generated 40% of the company's business at 170 locations around the country. He replaced most of the company's buyers and cut the total number of employes from 7,000 to 3,500 within three years.

As a result, Spiegel has ceased to be what he calls a "price-oriented store of last resort," offering low-price merchandise to "people who bought from us because they could get credit." The new value-oriented Spiegel replaced it, aiming designer clothes and department store merchandise at working women from 25 to 54 years old with household incomes of $34,000 and up. Admirers call the spectacular transformation daring; others call it a gamble.

The old "price oriented" catalog . . .

Relaxed in his big brick-and-shake home on two green acres of the Ginger Creek subdivision of Oak Brook, Ill., one recent Saturday morning, Mr. Johnson attempts to explain why Spiegel's changes are nothing more than the logical outcome of good research, planning and self-confidence. Through the windows one can see ducks paddling tranquiliy where the property fronts the edge of the subdivision's lake.

"In developing a strategy and following it through," Mr. Johnson says, "you can't have all the safe things you used to have. If they don't fit the strategy, they'll destroy the probability that it will work. You'll always have people saying, 'How can we afford to give up tires? We sell $12 million of them.' Well, tires don't fit."

What did fit was the sale of big name designers to a national urban market, not just in the 25 or 30 largest cities. The sophistication and economic strength of the modern woman is a national phenomenon, even in the small cities, Mr. Johnson asserts. With women moving toward equal pay for equal work, filling the universities, the era of the old-fashioned housewife disappearing, working women all over the country want the better products, he says, but they don't have time to drive 70 miles to the nearest excuse for an urban center to try to find them.

"I could see the opportunity coming to serve these life style changes," he says. "I saw it when I was at Aldens," where Mr. Johnson was an executive vp until 1974, "but nine out of ten people there were skeptics. I've never been a skeptic; I've always had a positive attitude."

You can't have all the safe things you used to have," says Mr. Johnson.

In some ways, Mr. Johnson reminds one of a football coach, says Alton Withers, Spiegel's vp-finance. "Hank is animated, very intense in business because he gets so wound up with enthusiasm," says Mr. Withers. "And he's able to translate his understanding and enthusiasm to people who work for him. He de-

Robert Ebisch is a business writer in Boulder, Colo.

Segments

(Continued from Page M-9)
dividual city-pair [to and from destinations] and class of service in order to more effectively target a particular message."

But segmentation isn't just print presentation and the spinning of computers. The DMA made that evident when it took the "mail" out of its name last November at its national convention in California. John C. Holt, chairman of the DMA and executive vp with Dun & Bradstreet, says: "The name change makes it clear that our method of doing business can be used in any medium—print, broadcast, telephone, mail."

Because cable tv narrowcasting concept closely resembles direct marketing's segmentation, one would think there would be a match made in heaven. Sometimes, yes. Sometimes, it's dig in and wait.

Fred Schwartzfarb, manager of direct response at Entertainment & Sports Programming Network, the 24-hour sports cable network, is enthusiastic about the segmentation abilities of his network. He believes he has the red-blooded male audience captured.

ESPN has case study after case study of direct marketing successes. There's *Pro*, the National Football League magazine. When ESPN showed the NFL draft, "in the middle of the day, in the middle of a work week," it got 6,000 phone calls for subscription on its 800 number over a day-and-a-half's worth of programing. Mr. Schwartzfarb will also tell you his "Keeper Bait Fish Formula" story. A total of 850 bottles of the stuff, used to lure fish, were sold in the first day of advertising on ESPN. Since July, Fish Formula continues to sell at around 200 bottles a week.

Mr. Schwartzfarb also dispels the theory that a direct marketing pitch need be two minutes. "A lot of the younger marketers are doing 60s and 90s [60- and 90-second commercials] on cable, and they work just as well," he says. "I've even seen a 30 that works. The guy just comes on and gives you the price for the next six months of the *Wall Street Journal* and then lists the 800 number."

Another direct marketer, one that is segmenting to the working woman, is planning a consistent cable program in coordination with its catalog effort. New York's Direct Marketing Group introduced its "Access" catalog three ways: In an extensive mailing list of 210,000 working women gleaned from 29 lists, by insertion in the October issue of *Harper's Bazaar* (a magazine with a profile readership heavily slanted to the working woman) and by a 30-minute shopping show called "Access to the World."

According to Ed Kessler, president of the company's electronic marketing division, the least responsive medium was cable, "which came as no surprise." The second print catalog is now being sold to vendors, and Mr. Kessler plans to continue with a second cable program.

But marketers like Pierre Passavant warn that "we can become so segmentation oriented we don't see the illogic of some cable advertising where the audiences are so small, they're not worthwhile."

Over-the-air tv is no slouch in

Making the pitch...

Expenditures in direct marketing advertising, 1976-1981

(in $ millions)

	1981	1980	1979	1978	1977	1976
Coupons	94.6	84.2	72.0	61.0	84.0	25.6
Direct mail	10,566.7	9,998.7	8,876.7	7,298.2	6,966.7	6,025.0
Consumer magazines	150.0	135.0	123.0	99.8	86.2	86.3
Business magazines	59.0	53.0	47.0	49.4	49.4	40.0
Newspapers	73.0	60.6	54.4	58.0	42.8	41.8
Newspaper preprints	2,288.5	2,032.4	1,779.5	1,390.0	1,086.0	810.0
Telephone	11,467.0	9,845.0	8,555.6	8,555.6	7,699.0	8,150.0
Television	295.0	253.0	217.0	265.0	340.7	300.0
Radio	29.0	26.0	23.0	N/A	N/A	N/A
Total	25,022.8	22,487.9	19,748.2	17,777.0	16,354.8	15,478.7

Source: Direct Marketing Assn.

...and the sale

Estimated total U.S. direct marketing sales volume 1975-1981

	($ billions)
1975	$ 60
1976	$ 75
1977	$ 82
1978	$ 87
1979	$ 99
1980	$112
1981	$125

Source: Direct Marketing Assn.

pends more on direct contact than on going through channels, and that's by design. That's what he accomplished in his management restructuring."

Mr. Johnson is a Chicago native of long-standing. Both parents emigrated from Norway in the second decade of this century and met in Chicago. Mr. Johnson was raised in Park Ridge, Ill., where his father and uncle worked together as carpenters. His mother was a cleaning lady for some of the wealthier homes in the area, and Mr. Johnson got his start in business doing yardwork for some of her employers.

"She taught me to work hard, the principles of being honest and doing a good job," recalls Mr. Johnson. "I think I can honestly say that in every job I've ever had, I did a better job than anybody else."

Recurring in descriptions of Mr. Johnson by business associates is the statement that he practices leadership through example.

"He goes at his work like a bulldog," says Edward C. Jacobs, executive director of the Chicago Council of the Boy Scouts of America, where Mr. Johnson served as president from 1978 to 1980. "He inspires confidence by knowing what he's doing. But he's not overbearing. After you talk to him a few minutes, it seems like he's been your friend

(Continued on Page M-21)

Between the pages of a turnaround

By Rick Murray

In 1976, the year Henry Johnson became its president, Spiegel Inc. was a weak fourth in a field of four general merchandise catalog companies, with net sales of $268 million.

As 1982 drew to a close, estimated net sales totaled $400 million, with pretax profits of $10.5 million, a 16% improvement from 1981, according to Alton Withers, vp-finance at Spiegel.

"It's got to be one of the greatest turnaround stories in the mail order business," says Maxwell Sroge, a mail order industry analyst and president of Maxwell Sroge Publishing, Colorado Springs, Colo. "Over the past 15 years there has been a dramatic shift from general merchandise catalogs to specialty catalogs, but Spiegel is the only general merchandise catalog to capitalize on the specialty concept while maintaining its general merchandise coverage.

"It isn't the idea," says Mr. Sroge. "It's the execution. Spiegel has executed very well."

Most of that execution can be attributed to Henry Johnson. With the broad powers given him, Mr. Johnson committed Spiegel to a marketing program aimed at the "upscale, busy lady," the working woman with a household income above $34,000. This decision was based on Spiegel's demographic studies which showed that 50% of all American women worked outside the home and that the figure would grow to 70% by the end of the decade.

... the new "value oriented" catalog.

Converting from an operation that provides useful merchandise on easy credit for the rural and low income customer to one that emphasizes designer fashions for the upscale working woman also required streamlined management and operations. Flat line management, reporting directly to Mr. Johnson, replaced the earlier pyramid structure, and improved customer service and shipping speeded response.

But the key to the new philosophy was upgrading Spiegel's catalog and its image. "People are still not sure they want to buy $100 blouses by mail," says Richard Wagner, senior vp of Burson-Marsteller, the public relations and advertising agency that landed the Spiegel account in 1981. "We are trying to sell the concept of the new Spiegel more than its merchandise. There is a lot of education yet to do, which is why Spiegel uses guest editors in its catalog and why so many of the photos are shot on location."

Marsteller's approach has been innovative in several ways. The most striking is the flip technique, which appeared in spring, 1982. The catalog has a glossy women's fashion cover on one side and, when flipped over, a glossy home furnishing cover on the other. Mr. Wagner explains that the separation of the book into two sections with two covers, "Fashion World" and "House World," eases customer shopping and ensures that an attractive cover is always showing.

"We want customers to put this catalog on their coffee tables as they would fashion magazines, instead of on top of their refrigerators," says Mr. Wagner. "We have to have exquisite reproduction." For this reason, the new catalogs have better color and design, heavier than usual stock and improved printing.

Marsteller also has experimented with test 30-second tv spots, an idea that makes many

(Continued on Page M-12)

Rick Murray is a business writer in Chicago and former managing editor of Chicago Lawyer.

direct marketing segmentation. Barbara Zeiger, vp of member services for the Television Bureau of Advertising, suggests buys that segment the mass giant by viewer receptivity to the direct marketing message.

"The first quarter is a traditionally good time for the direct marketer, and it is also the best buy of the year on tv," she advises. Ms. Zeiger also points out that direct marketers do their best at time parts other advertisers find least desirable: In early fringe and in lower-rated programs like movies and reruns of sitcoms.

Because Broadcast Advertisers Report doesn't break down direct marketing figures, there's no complete reading on how much direct marketing takes place over the air. DMA, however, lists tv as fourth in total direct marketing ad expenditures for 1981 at $295 million.

Telephone marketing is a significant first with $11.5 billion (which includes expenditures for 800 numbers); direct mail is second with $10.6 billion and newspaper preprints is third with $2.3 billion. While direct marketers happily and successfully segment in all media, there is still another player in the game left to be acknowledged: The customer! In the future, he will get to "segment" for himself.

Mr. Naisbitt, the author of "Megatrends," finds that the trend to "the customer in charge" is an important one. In his book, he refers to the reader becoming his own editor; and marketing may well be one step ahead of editorial with "The Cableshop," the cable test sponsored by the Adams-Russell Co. and J. Walter Thompson USA, in Peabody, Mass.

In the test, the viewer selects the message he wants to see. According to "Cableshop" director John Pollock, approximately 60% of the clients are using some kind of "direct action call."

Ron Kaatz, senior vp-director of media resources and research with Thompson in Chicago, reports that "Cableshop" is scheduled to roll out to 250,000 more cable homes in other locations sometime in 1983.

So the future of segmentation may well be in our own message selection (in print catalog-and-computer projects like Catalogia or in cable shows like "Cableshop" with telephone hookups). Or in home videotex systems, where we can take our shopping problems to our own friendly terminals. After all, there's nothing like the feeling of power you can get when you tell the computer that you've had enough "down home" and you're ready for "Opulence," please.

AA

On the telephone: Reaching out directly

Estimated telephone expenditures for telemarketing applications

	1981 ($ millions)	1980 ($ millions)
Residential originated local calls	$ 643	$ 569
Residential originated toll calls	775	689
Business originated local calls	4,757	4,144
Business originated toll, WATS, 800* calls	5,292	4,443
Total	$11,467	$9,845

These figures include a pro-rata share of equipment costs but do not include labor costs. These equipment costs are included in local revenues.

*800 service is a toll-free service paid by businesses. Therefore, residential (consumer) placed 800 calls are included in this value.

Source: Figures prepared by James M. Mahood, marketing manager, AT&T and published in the 1983 DMA "Fact Book."

The agencies

Full-service direct marketing agencies based on estimated U.S. gross billings

Agency	Billings ($ millions) 1981	1982
Wunderman, Ricotta & Kline	107.5	111.2
Ogilvy & Mather Direct Response	53.0	65.0
Stone & Adler	43.2	54.4
Rapp & Collins	36.5	36.7
Direct Marketing Agency	30.0	36.6
Smith/Hemmings/Gosden	22.7	26.9
Soskin/Thompson Associates	19.6	25.7
Kobs & Brady Advertising	21.9	24.0
Compton Direct Marketing	23.5	23.5
TLK Direct Marketing	20.0	22.0
The Frank Vos Company	19.8	21.8
Ayer Direct	17.0	21.0
Chapman Direct Marketing	18.9	20.4
MARCOA Direct Advertising	14.0	20.0
The DR Group	18.3	20.0
BBDO Direct	—	16.0
Grey Direct	11.2	15.8
B&B Direct	—	14.7
Ketchum, Macleod & Grove	7.0	12.0
Throckmorton/Zolfo	4.5	3.8
Foote, Cone & Belding	—	2.7

Source: Compiled by the Direct Marketing Assn. based on data provided by agencies who responded to the survey.

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Cultivating the direct marketing professional

It takes devotion to star-raising

By Joanne Cleaver

No wild west outlaw was ever wanted as much as a talented, experienced direct marketer is wanted today by the business' agencies.

A business that's growing about twice as fast as the rest of the retail segment has to be hungry for good people; the crunch is that the business has taken off so quickly that it has left behind a talent vacuum.

There's no lack of "superstar" free lancers who can name their fees, say business insiders. And hundreds of college students are enthusiastic about the field.

To keep them enthusiastic, the Direct Marketing Assn. (DMA) has just introduced the first full-fledged direct marketing major at the University of Missouri at Kansas City. But those students won't be available for at least two years, if they're in a graduate program.

In the meantime, the talent vacuum is sucking inexperienced advertising people into direct marketing agencies, which are then left with the burden of training their people—with no guarantee that they won't leave in a couple of years for a $10,000 pay raise across the street.

In the meantime, the talent vacuum is sucking inexperienced advertising people into direct marketing agencies, which are then left with the burden of training their people.

Direct marketing has been the ugly duckling of the advertising world for so long that it's not surprising that, now that it has finally grown up, there's a shortage of good people. Most college textbooks devote just a page or two to "junk mail," says one old-timer.

Many industry insiders say that even they just "fell into" the field.

Joan Throckmorton, president of Throckmorton Associates, New York, says that "in the '50s and '60s it was practically not respectable to be a direct marketing copywriter." Consequently, all the good people got their training at magazines and book club publishers, whose marketing strategies depended entirely on direct mail.

"There was no other place to learn," she recalls.

By the mid-1970s, when direct marketing was beginning to mushroom, many of these experienced writers went out on their own, having advanced as far as they could in traditional agen-

Joanne Cleaver, a business writer in Evanston, Ill., is a contributing editor to Crain's Chicago Business.

Dialing

(Continued from Page M-37)

cost of having someone front calls is worth it."

Mr. Durbec described three ways telemarketers can use his company's TBS-9500. In the first, computers and automatic dialing equipment route and place calls and track results, but once contact is made, the live operator takes over and conducts the call.

That kind of system works best for market research and business that demands "the intelligent aggressive presence of a person," Mr. Durbec says.

The second option allows the operator to introduce the call and get agreement to the "conversation" before releasing the call to the recording.

Mr. Durbec says the recorded message consists of a series of sentences designed to involve the listener's participation. "We manage the sentences to ensure that we simulate a conversation so we get the emotion and results of a conversation," he says. "You'd be surprised that everybody talks to us, quite naturally and quite frequently for a long period."

The third option starts out just as the second, with the operator introducing the call and the prerecorded voice imparting the sales message.

At the end, though, the machine turns the call back over to the live operator for closing the sale.

Why bother with all that expensive equipment if operators must still get involved? Mr. Durbec says the machines do the repetitive tasks—calling the numbers, waiting for an answer, making repeated attempts where there's no answer and taking care of the simpler part of the telephone conversation.

"If the caller did everything," he says, "that person would spend a maximum of 15 to 20 minutes of each hour talking. Much of the rest of the time would be spent in retrieval of numbers, dialing and waiting. In high volume calling, machines can do those things efficiently."

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cies, she says.

Consequently, the field is now dominated by "copy stars" who can command high fees because they can prove that their stuff works.

Even the large direct marketing agencies still bring in outside stars.

"It's a very strange situation," observes Ms. Throckmorton. "All the top writers are free lancers. I don't think people are wrong at all to use them. I just think it's sad that we don't have a growing star system, or that agencies aren't known for their stars."

The problem is a self-perpetuating one because even if an agency does spend several years developing a writer, he or she can walk out at anytime he or she wants.

Substantial salaries—exorbitant, say some industry insiders—are often the only way to keep these writers.

"We do have a problem. I can suggest only partial solutions," says Ms. Throckmorton. Her concerns are echoed by others in the business who feel harassed and frazzled by the constant search for new talent and the tensions of holding on to the people they've got.

Direct marketing has been the ugly duckling of the advertising world for so long that it's not surprising that, now that it has finally grown up, there's a shortage of good people.

That general advertising people don't always transplant well to a direct marketing job only exacerbates the problem.

George Wiedemann, president of Grey Direct, New York, says the best direct marketing people don't come from traditional advertising agencies.

An agency person knows how to be an agency person; there aren't many that are well rounded and familiar with the full scope of media needed for working in direct marketing," he says.

"It's easier to get marketing people from the client environment; they already know how to deal with the media, and you can teach them how to work in an ad agency."

With the superstars at the top calling their own shots, and the eager beavers at the bottom, craving attention and training, there's a big gap in the middle.

Middle managers, supervisors, senior writers and artists with three to eight years' experience in direct marketing—all tomorrow's potential stars—are the rarest of all.

One obvious way to get talent is to develop it.

The inhouse training program, always a mainstay of a direct marketing agency, is becoming crucial to its very survival.

If an agency can't develop its own talent, instead of trying to continually steal talent from other companies, it will do nothing but perpetuate the high-price star system.

Mr. Wiedemann recognized that problem several years ago, and has carefully organized Grey Direct's structure to make sure that these valuable middle-level people are given enough money and creative challenges to both stay at Grey Direct and feel personally fulfilled.

Most of his department heads have 15 years of experience. The next tier of managers has five to eight years. It's their job to develop the junior people.

The inhouse training program, a mainstay of a direct marketing agency, is becoming crucial to its very survival.

Mr. Wiedemann's solution to the problem of career development for beginners and middle people is the "First Friday" program.

The first Friday of every month is devoted to seminars on whatever aspect of direct marketing Mr. Wiedemann and his staff believe are in need of attention.

Most are conducted by inhouse experts; for others, outside suppliers are brought in.

Over-all, the approach is "a structured presentation in a loose atmosphere," says Mr. Wiedemann.

One recent seminar on marketing plans from a direct marketing point of view was given by the person who writes the best marketing plans. Another, put on by outside printers, demonstrated recent breakthroughs in integrated computer personalization of letters as long as eight pages.

Most of the seminars focus on the technical side of direct marketing, says Mr. Wiedemann. Because most of his junior people have a general advertising background, he says, "they have to be schooled in the 'transaction system' that moves consumers to buy.

"It's not enough for a writer or

(Continued on Page M-40)

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Cultivating

(Continued from Page M-39)

artist to just know copy or art."

Ms. Throckmorton carries in-house training one step further—she is devoted to the art of becoming a mentor to talented newcomers.

"There are a million little things you have to pass on when you're teaching direct marketing," she observes. "When you have the rule down, you have the ability to do a technically correct direct marketing package. Consequently, it all sounds the same—'here,' 'new,' 'sale,' 'free,' 'order today.'

Seminars are fine, but without individual attention, few direct marketing newcomers will rise above a textbook approach to exploit the medium's creative aspects.

A person who is technically correct will be very successful in direct marketing, in a good market, but the minute the market becomes marginal, or the price a little competitive, you have to be more than technically correct, you have to have creativity," says Ms. Throckmorton.

Seminars and workshops are all fine and well, she says, but without individual attention, few direct marketing newcomers will rise above a textbook approach to exploit the creative aspects of the medium.

Ms. Throckmorton, who has been a successful mentor to three copywriters, says she talks to 75 to 100 potential writers a year to find "maybe two who have the talent and are willing to put in the time."

This continual screening is crucial to her ability to pick out and hire top talent. When an agency doesn't constantly review people and keep in contact with them, it won't be able to find a talented person when it needs to fill a position within two weeks, she says.

Those practicing the traditional methods of fostering talent—inhouse training and acting as mentors—may soon have a much wider pool of beginners to draw on.

The DMA has been pouring much of its energy and money into establishing direct marketing as a course, and now a major, on college campuses across the country.

While some in the business are doubtful about the practicality of such programs, pointing out that they won't eliminate the need for inhouse training, most others are enthusiastic about the prospect of their raw talent being a little less raw.

According to Richard Montesi, president of the Direct Marketing Educational Institute (DMEI), the whole point of the DMA's efforts is to help beginners get off on the right foot in the business, "so they don't have to start accidentally, as so many people do."

Although the DMEI has established several types of programs, ranging from all-expense-paid week-long introductory seminars for professors to summer internships at New York agencies for undergraduates, its latest and most significant accomplishment is the direct marketing major at the University of Missouri at Kansas City.

Both undergraduates and

Earning power of direct marketing professionals Does it pay?

Direct marketing client companies compensation study 1982

Title	Low	High	Average	Per cent paying Bonus	No. reporting
Product manager	18,000	45,000	32,898	25	49
Group product manager	32,500	52,500	42,846	50	13
Marketing manager	27,000	67,000	38,848	50	78
Marketing manager-vp marketing	25,000	100,000	51,135	100	89
Circulation director	16,000	85,000	37,385	25	13
Director	50,000	106,000	75,250	100*	8
Executive vp	65,000	122,000	87,125	100*	8

*Bonus includes cash ($6,000 to $20,000), car, stock

Total of 258 people in 156 companies

Source: Judd-Falk

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graduates will be able to enroll in the major, which is designed to emphasize a systems approach, integrating basic economic and business education with the "why" of direct marketing, says Mr. Montesi.

The course's text, the first ever in the field, is being written by Martin Baier, vp-marketing with the Old American Insurance Co., Kansas City, and an adjunct professor at the UMKC.

Mr. Baier is working out the specifics of the program, which he says will include 12 hours of direct marketing courses out of the 36 hours of business classes required for an MBA.

Much of the course material is to be modeled after successful projects conducted by Mr. Baier in the direct marketing courses he has been teaching at the school for the past several years.

He is especially enthusiastic about the students' ability to use the business theory they learn in introductory courses to develop specific direct marketing packages. The assignment he gave last fall's class, for example, was based on a Harvard Business School case study of the L.L. Bean catalog.

Those practicing the traditional methods of fostering talent—inhouse training and acting as mentors—may soon have a much wider pool of beginners to draw on.

The project teams were to develop a new market segment for the company, using the existing product line but differentiating it for their market segment and positioning it for the segment. They had to develop a marketing strategy, pick the appropriate media, write the copy and use mathematical analysis techniques to find out the value of each new customer.

It's just this kind of detail that engrosses business students in direct marketing, says Mr. Baier.

"The person who enrolls in the MBA program likes the science of marketing," he says.

"They see direct marketing as completely measurable and accountable. No student will come out of my course and spend $360,000 on ads for the Super Bowl, because that can't be measured," Mr. Baier says.

The DMEI's timing for the new major could hardly be better. High unemployment and soaring educational costs are forcing students to take a cost-analysis approach to their schooling.

Add to that the "sex appeal" of a relatively new and fast-growing business, and it doesn't take an MBA to figure out where the jobs are.

Students feel comfortable with the concept; they don't have preconceived notions of hucksterism.

Two additional factors attract students to direct marketing: Its use of new technologies and the ability to track the actual performance of a package.

They're also familiar with direct marketing through catalogs and tv; so, say business insiders, the students feel comfortable with the concept.

They don't have preconceived notions of hucksterism or COD ripoffs.

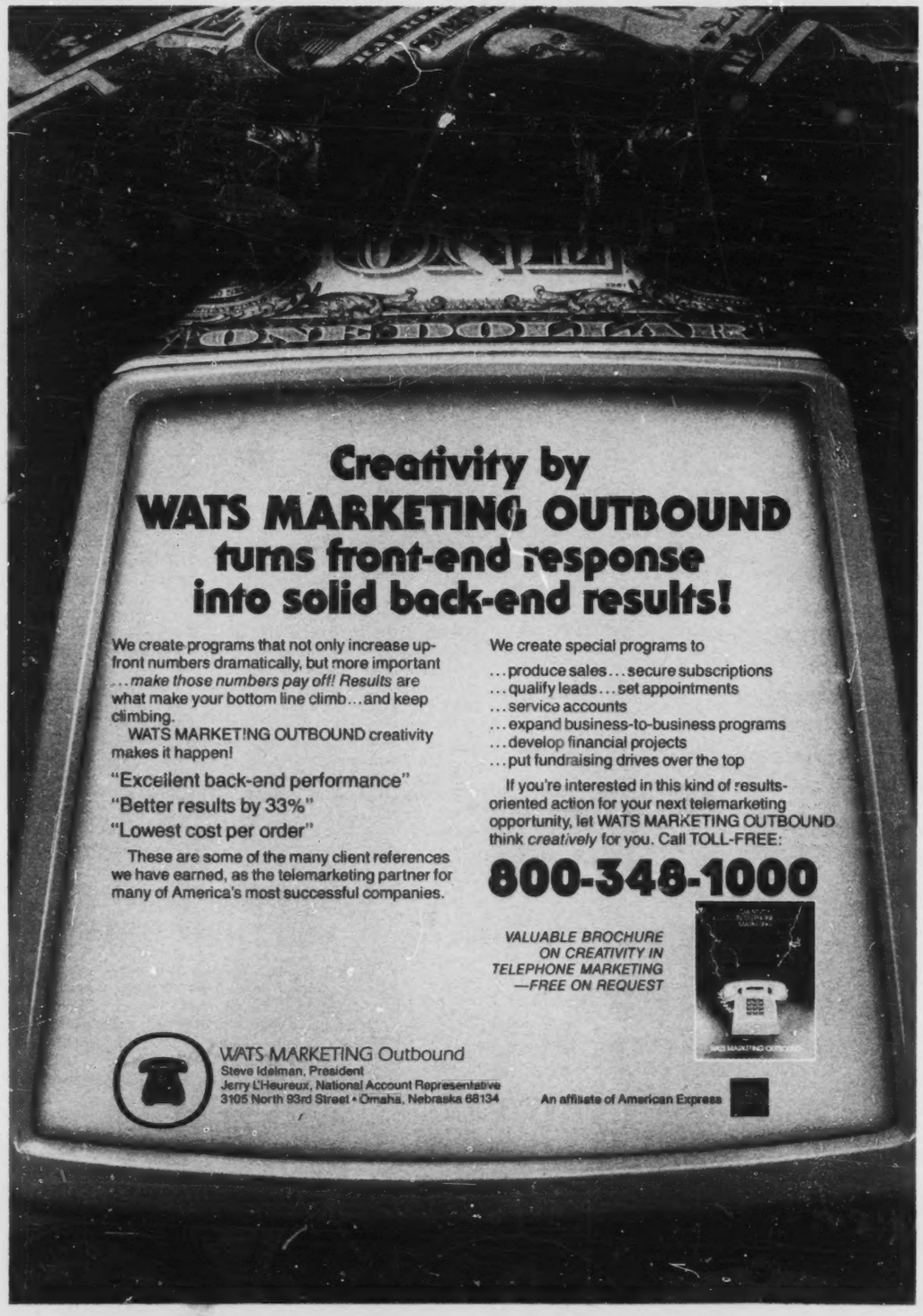
One direct marketer brings the concept even closer to home.

Freeman Gosden Jr., president of Smith/Hemmings/Gosden of El Monte, Cal., says that when he lectures to students at the University of California, he urges them to use direct marketing techniques to market themselves. That recommendation gets them very interested in the field. ■

Direct marketing advertising agencies compensation study 1982

Title	Low	High	Average	Per cent paying Bonus	No. reporting
Account exec.	18,000	36,000	28,848	10	43
Account supervisor	25,000	55,000	39,177	25	45
Vp-account supervisor	32,000	65,000	45,333	25	21
Vp-management supervisor	37,000	70,000	52,700	100	10
Sr. vp-management supervisor	60,000	80,000	67,833	100	6
Sr. vp-acct. dir. or acct. grp. supervisor	50,000	80,000	61,250	100	4
Executive vp	50,000	80,000	65,143	100*	7
President or director	55,000	90,000	78,750	100*	4

*Bonus includes cash ($6,000 to $20,000), car, stock
Total 140 people from 64 agencies
Source: Judd-Falk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Ad pages in farm publications for 12 months, 1982-1981

Fourth-quarter and year-to-date figures for U.S. and Canadian publications reporting to Advertising Age

	Pages			
	Oct.-Dec. 1982	Oct.-Dec. 1981	Jan.-Dec. 1982	Jan.-Dec. 1981
Canadian				
Country Guide:				
Eastern Edition #	90.6	133.3	534.7	598.6
National Edition #	148.6	204.7	949.4	985.3
Western Edition #	114.1	145.3	670.5	703.9
Average 3 Editions	117.8	161.1	718.2	762.6
Le Bulletin des Agriculteurs	134.0	187.0	805.0	851.0
Total Group	605.1	831.4	3,677.8	3,901.4
% change	−27.2%		−5.7%	
Dairy & livestock				
Beef Magazine A.	168.8	155.1	584.0	550.7
The Cattleman	390.4	391.8	1,440.6	1,465.8
Dairy A.	68.4	64.5	301.9	256.9
Dairy Herd Management B.	89.4	152.4	443.5	541.9
Drovers Journal (52x) A.	271.8	308.0	1,129.7	1,223.4
Farm Progress Hog Producer	26.0	23.9	105.0	103.1
Feedlot Management	91.5	102.8	293.3	343.9
Florida Cattleman (mon)	277.6	275.3	935.1	933.0
Hoards Dairyman (23x) A.	184.1	209.9	901.8	951.1
Hog Farm Management B.	122.9	163.6	447.3	551.6
Livestock Breeder Journal (mon)	253.9	219.9	1,001.7	1,030.8
National Hog Farmer	240.2	193.5	884.0	711.7
Pig American	65.6	105.3	65.6	105.3
Southern Beef Producer (8x)	—	—	—	—
Southern Hog Producer (6x) B.	—	—	—	—
Sunbelt Dairyman (6x)	—	—	—	—
Western Livestock Journal Weekly:				
Central Edition	135.0	107.0	431.7	414.4
Western Edition	175.3	144.3	547.2	537.2
Western Livestock Reporter (52x)	285.1	350.4	666.1	750.0
Total Group	2,846.0	2,967.7	10,178.5	10,470.8
% change	−4.0%		−3.0%	
Fruit & vegetable				
American Fruit Grower	74.5	105.0	470.2	534.7
American Vegetable Grower	124.6	139.2	640.9	622.5
Citrus & Vegetable Magazine	117.7	124.9	503.0	492.5
Florida Grower & Rancher	46.8	44.7	207.1	181.3
Total Group	363.6	413.8	1,821.2	1,831.0
% change	−12.1%		−0.5%	
General farm publications				
American Agriculturist	51.8	99.2	344.1	437.1
Big Farmer (11x)	16.6	25.9	107.1	140.7
California Farmer (21x) A.	174.0	182.0	804.2	792.2
Farm Futures A.	51.3	56.0	208.1	264.4
Farm Industry News (10x)	100.3	99.1	420.6	400.8
Farm Journal (14x)	163.1	193.9	773.2	787.4
Farm Money Management (6x) C.	22.7	25.7	92.7	116.5
Farmer-Stockman Unit:				
Oklahoma Farmer-Stockman	187.2	175.4	38.2	35.9
Texas Farmer-Stockman	155.5	157.1	35.7	31.3
Harvest Publishing Unit:				
Kansas Farmer (21x)	116.5	136.1	680.8	743.5
Michigan Farmer (21x)	144.1	181.9	743.0	773.0
Missouri Ruralist (21x)	148.4	163.8	791.4	829.0
Ohio Farmer (21x)	197.6	231.6	1,067.1	1,094.0
Pennsylvania Farmer (21x)	105.2	120.4	597.5	649.5
High Plains Journal:				
Colorado	494.8	517.8	2,298.8	2,321.5
Eastern Kansas (52x)	498.5	521.9	2,325.5	2,328.3
Nebraska	481.7	507.0	2,258.1	2,281.1
Oklahoma-Texas	502.6	517.6	2,312.5	2,322.8
Western Kansas	554.8	579.5	2,533.3	2,539.6
Irrigation Age (10x) A.	56.4	64.0	259.5	347.4
Kentucky Farmer	51.9	64.8	354.7	310.3
Lancaster Farming (52x)	1,152.0	1,125.8	4,769.5	4,881.6
Midwest Farm Paper Unit: (sm)				
The Farmer	226.7	278.4	1,258.1	1,347.0
Nebraska Farmer	294.2	349.3	1,454.8	1,626.6
Prairie Farmer A.	254.4	326.9	1,442.9	1,834.0
Wallaces Farmer (24x) A.	236.3	296.5	1,275.1	1,319.6
Wisconsin Agriculturist (24x)	182.6	200.6	937.5	970.3
Northwest Unit Farm Magazines: (24x)				
Idaho Farmer-Stockman	89.5	127.2	506.0	729.4
Montana Farmer-Stockman	172.8	212.4	911.1	1,058.3
Oregon Farmer-Stockman	89.5	113.9	506.0	595.6
Utah Farmer-Stockman	88.9	85.5	447.6	515.4
Washington Farmer-Stockman	90.1	118.9	547.6	635.9
Wyoming Farmer-Stockman	78.5	94.9	327.1	383.3
Pecan South (6x)	8.8	15.9	83.1	98.8
Progressive Farmer A.	143.5	197.2	753.0	796.1
Specialized Agricultural Publications:				
Flue Cured Tobacco Farmer	30.1	31.0	202.2	169.8
Peanut Farmer (8x)	—	—	137.9	131.4
Successful Farming A.	176.7	192.9	755.4	811.1
Tennessee Farmer	25.0	32.3	169.6	158.5
Western Unit Farm Magazines:				
Arizona Farmer-Ranchman	81.3	104.6	402.5	492.5
Colorado Rancher & Farmer	72.4	94.4	417.7	486.7
Total Group	8,030.4	8,609.3	36,350.8	38,368.2
% change	−6.7%		−5.3%	
Poultry				
Broiler Industry	127.4	145.5	518.0	579.0
Poultry Digest	47.5	61.3	259.0	327.0
Poultry Tribune	58.5	76.1	310.0	388.0
Poultry & Egg News:				
Poultry Times:				
Southeast Edition	57.2	77.6	390.6	468.2
Southwest Edition	56.3	71.5	282.8	356.0
Northwest/Midwest	34.2	37.5	185.8	208.9
Pacific Edition	20.6	29.1	160.4	173.4
Poultry & Egg Mktg.	28.2	35.7	139.0	166.1
Total Group	429.9	534.3	2,245.4	2,636.6
% change	−19.5%		−14.9%	

(x) Represents number of times published each year. A. Sectional linage included but prorated to circulation of regional editions. B. 13 issues in 1981, 12 issues 1982. C. 4 issues in 1981, 5 issues in 1982. # Not included in totals.

Spotlight/Dimlight Awards

(Continued from Page 24)

Research Expo in '82, a record, and they found 10% more exhibitor booths than in '81 and 48 research company presentations, up from 42 in '81. The bottom line is that the ARF, which had been in serious financial difficulty in 1980, showed a surplus of about $300,000 on operations in 1982, largely due to the successful conference program.

* * *

RESEARCH NONEVENT OF THE YEAR: The Market Research Council Hall of Fame. If you're one of the many, many people who have never heard of the MRC or who did not realize that since 1977 this organization had inducted two researchers (one living, one posthumously) into what it calls The Research Hall of Fame, you'll understand why I nominate the 1982 induction ceremony at a private luncheon meeting at the Yale Club in New York on June 18 as the "nonevent of the year." The MRC is a private luncheon club founded by a group of distinguished researchers more than 60 years ago. Each year, MRC's awards committee selects the new hall inductees and the membership (which is limited to 80 people) votes.

Now it's wonderful, in my opinion, that there is a Research Hall of Fame, and I in no way want to denigrate the individuals who have been tapped to date. But I do suggest that if the honor is to be really meaningful, widely publicized and widely recognized, it has to be rooted in more than the opinion of a tiny handful of people who belong to a private luncheon club in New York. The honorees deserve something more: For instance, an open-to-all luncheon in the ballroom of a major hotel with representatives of all interested organizations—CASRO, AAPOR, AMA, MRA, *et al.*—in attendance and concurrence. Then the event should be properly publicized. Only then will the honorees have gotten their just deserts, and MRC could proudly take credit for getting the thing started.

* * *

RESEARCH COMPANY PROMOTER OF THE YEAR: A joint award to Judith S. Corson and Jeffrey L. Pope, the partners who run Custom Research Inc. in Minneapolis. CRI has created some of the most imaginative—and memorable—promotion mailings that the research industry has ever seen. One piece, a 35-by-23-in. poster, was a marketing research game board, similar to Parcheesi, where a player might land on a box inscribed "Coverage of airplane hijacking preempts tv programing on the night of your planned on-air ad test—go back four spaces" or "Blindside problem. . .company president's wife tries product and gets diarrhea—go back two spaces," and so on. Another poster, "Great Quotes from Marketing Research History," has characterizations of famous persons saying, as in the case of Harry Truman, "If you can't stand the heat, get out of the focus group viewing room." Will Rogers says, "I never met a client I didn't like." This sort of thing, some might say, is a mite whimsical for the staid old research business, but I find it clever, imaginative and amusing—qualities the industry could use a dash of now and then. So, to CRI, the No. 1 Banana Award of 1982.

* * *

The Advertising Research Foundation (ARF) meeting schedule for 1983 was inadvertently mislabeled (under AAPOR) in my column of Dec. 13. Here is the correct listing:

March 7-9. 29th Annual Conference & Research Expo. New York Hilton.

May 23. Key Issues Workshop: Research Quality. New York Hilton.

June 30. Key Issues Workshop: Intermedia Comparisons. New York Hilton.

July 26. Key Issues Workshop: Financial Advertising Research. New York Hilton.

Sept. 12-14. 9th Annual Mid-Year Conference and Research Exposition. Palmer House, Chicago.

Oct. 27. 5th Annual Business Advertising Research Conference. New York Hilton.

Dec. 14. Key Issues Workshop: Researching The New Electronic Media II. New York Hilton.

Dec. 15. Key Issues Workshop: The New Advertising Research Technologies II. New York Hilton.#

Margulies, Chajet link

NEW YORK—Walter P. Margulies and Clive Chajet have joined forces to form a new communications consultancy that offers marketing communications and design capabilities.

As a result, Lippincott & Margulies now is composed of two independent operating divisions: Lippincott & Margulies, which will continue to work in corporate identification, environmental design and financial communications planning, and the Chajet Design Group, which will be specializing in packaging design and marketing consultation.

Walter Margulies is chairman of the new group, with Clive Chajet serving as vice-chairman and chief executive officer of both divisions. Richard Quarrell, formerly vp-design services, moves to senior vp at Chajet Design Group.#

research people

Market Facts reorganizes

CHICAGO—Market Facts Inc., the sixth-largest U.S. marketing research company, has reorganized its management. The goal, according to one MF executive, is "to get Market Facts growing again." Jack Abrams, formerly president, becomes vice-chairman of the board. Succeeding Mr. Abrams as president and chief operating officer is Verne Churchill, formerly vp. Chairman David K. Hardin becomes chief executive officer.

Greg Spanga, formerly president of Market Facts-New York, has been named president of Marketing Facts Marketing Services, a new post, in charge of research sales groups in all five of MF's U.S. offices. Ira Povloin, formerly exec vp of MF-NY, succeeds Mr. Spanga. Richard Ross moves from vp in charge of public-sector operations to president of Market Facts Venture Group, a new group in charge of developing new research services, and the management of the new Household Flow of Funds service recently launched. Glenn Schmidt, former senior vp in charge of the operations group, has been named exec vp and general manager of Market Facts Operations, heading all operating groups and finance. And Omar Bendikas and Tom Payne, vps in the Chicago office, have been elected to the board.

Other people moving:

Eleanor Holtzman, formerly exec vp and director of research at McCann-Erickson, New York, and **Carol Kazin**, a researcher long associated with Interpublic, are co-founders of Eleanor Holtzman Research Associates, New York.

Gerald P. McMahon to director of client services, Stratmar Systems, New York, from vp, Ted Bates Advertising.

Daniel L. Mueller to senior research analyst, RAYOVAC Corp., Madison, Wis., from research specialist, Brunswick Corp., Skokie, Ill.

Emanuel H. Demby, founder and chairman of MPi Marketing Research, New York, has formed Demby & Associates, New York.

Thomas L. Wright to vp M/A/R/C, Dallas, from president, National Survey Panel division of ParaTest Marketing, Eastchester, N.Y.

Moskowitz/Jacobs, Scarsdale, N.Y., has named **Neil Lazar** manager, consumer information systems, from International Playtex, Stamford, Conn., and **Bonnie Natale**, senior project manager from Butterick Fashion Marketing Co., New York.

Promotions

A.C. Nielsen Co., Northbrook, Ill., has announced several executive promotions—**Thomas F. Busyn** to the new post of vp-manager, test marketing services, **J. Christopher Nielsen** to director of research and development, and **James O. Peckham Jr.** to the new position of vp-manager, client relations, all in the Marketing Research Group USA. MRG USA has also elected two new vps: **David T. Dickinson** and **Jack L. Torney**. A new position, vp-manager of marketing operations, has been filled by **Roger W. Schlies**.

Sid Solum to manager, account services, Custom Research Inc., Minneapolis.

Eleanor Dashman to director of research, Perception Research Services, Englewood Cliffs, N.J.

Ruth L. Zanes to president, Zanes & Associates, Fort Lee, N.J.#

Regional news – Page 54

USFL's marketing Blitz – Page M-4

Ralph Nader challenges corporate ads – Page M-12

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Advertising Age

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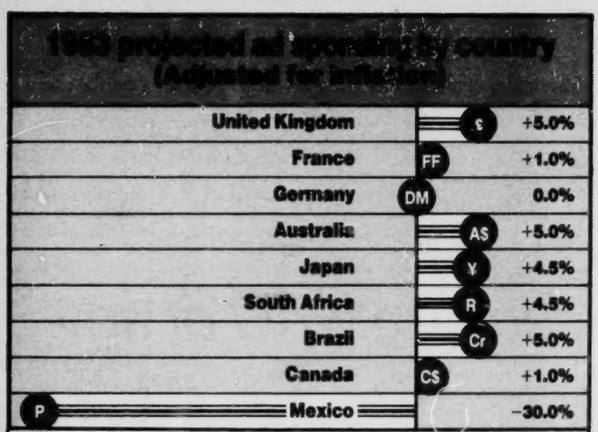

Source: Advertising Age estimates — *Staff chart by Bob Zeni*

Advertising expenditure estimates for various nations this year range from a high of 5% to a 30% drop for Mexico.

Foreign ad growth in '83 promising for many U.S. agencies

An Advertising Age roundup

U.S. advertising agencies are anticipating surprisingly strong growth outside the U.S. in 1983, although there may be share-of-market shifts among multinational agencies battling for the spoils of marketers' conservative ad spending increases.

That's the consensus of an Advertising Age survey of international agency, media and company executives in the U.S., as well as Japan, Australia, Canada, Great Britain, Germany, France, Brazil, South Africa and Mexico. In most cases, advertisers expect the first half of the year to show slower growth than the second half, when they expect a modest recovery.

Real growth in ad spending, with inflation factored out, seems to be strongest in Australia, Britain and Brazil, at 5%, and Japan and South Africa, at 4.5%. Even Latin America, a trouble spot for many agencies, is expected to show real growth except for Mexico, although the risks are greatest in the region for devaluations and governments' defaulting on loans.

The slowest growth is expected in Europe, where France and Germany are expecting little increase in ad spending. And Germany, for years the reliable "engine" of U.S. marketers' European growth, faces a potential change in government and an uncertain consumer spending environment.

Nevertheless, agencies are expecting international increases in ad billings ranging from 8% to as high as 20%. "The last half of 1982 was rough," says Jerry Roberts, senior vp-international of Young & Rubicam, "but as this year progresses it seems to be getting better and better." Y&R's estimate of real international growth, at 8%, is labeled "conservative" by some. "This is seen as a year of getting back to normal," he says. "There's a feeling that the economies of Western Europe and Latin America aren't going to get any worse."

Denis Lanigan, vice-chairman of J. Walter Thompson Co., is looking for 15% to 16% real growth outside the U.S., including an astonishing 40% in Latin America, 17% in Canada and 15% in Europe. Mr. Lanigan is unwilling to say the advertising industry is

(Continued on Page 69)

McCann, client funds back ad hoc film net

By CRAIG REISS

To establish a national alternative to network tv prices and to compensate for declining network prime time audiences, McCann-Erickson is setting up an ad hoc network of independent stations to show prime time feature films.

McCann says it will commit millions of its clients' dollars to the purchase of syndication rights to recent-release theatrical movies if the independents clear a regular prime time block for its weekly ad hoc network.

Announcing the project at the Assn. of Independent Television Stations convention in Los Angeles last week, Gene DeWitt, exec vp-U.S. media services director, announced that McCann clients would pay for the movie rights, clear the stations and then trade the rights for advertising time in the films. The movies would be distributed directly to the independents after a run on pay cable services and would bypass the tv networks.

Under the plan, McCann clients would have first options on the advertising time, with the rest being sold on the open market by the movie supplier. Mr. DeWitt said initial advertiser reaction to the proposal has been uniformly positive, and it is probable that all commercial minutes would be absorbed by McCann clients. This development would provide McCann with the exclusive ability to place advertisers on what could be highly-rated independent fare.

One of the studios expected to cooperate with the project is Columbia Pictures, owned by Coca-Cola Co., a major McCann client. However, Mr. DeWitt denied reports that the project was being put

(Continued on Page 73)

'Many projects' planned with Japanese marketer

Colgate, Kao near deal

By NANCY GIGES and JACK BURTON

Colgate-Palmolive and Japan's Kao Soap Co. are close to signing a broad agreement for joint ventures in the U.S. that would boost Colgate's stagnant personal care business and finally give Kao the toehold here it has long desired.

A spokeswoman at Colgate's New York headquarters would not comment on the report, but G.D. Harrison, Colgate representative in Tokyo, said the two companies are "working on and planning many projects in the U.S." He added that it can be assumed the projects include haircare products; the two have been working together in that area for some time.

Reports that the companies might sign a deal for co-production in the U.S. as early as next month "may be a little premature," Mr. Harrison said.

Executives at some of Colgate's U.S. ad agencies said they are aware that there is work being done on haircare items coming from Japan. It is not clear whether Splendor, a new shampoo on which Colgate has asked several agencies to work (AA, Sept. 27), is part of that. Those shops include William Esty Co., North Castle Partners and BrainReserve, but no agency of record has been assigned.

An earlier joint venture between the two companies, the U.S. introduction in 1980 of a product called Hair Defense, was not successful. Hair Defense was a system that consisted of a shampoo and brush, sold separately or as a set. It was positioned in test markets as protecting the outer layer of the hair shaft from damage and giving it shine and manageability. One aim

(Continued on Page 70)

Bottle in a can

Bristol-Myers is showing retailers its answer to tamper-resistant packaging: Disposable canisters with peel-off metal tops and plastic cover contain bottles of Extra Strength Bufferin or Excedrin capsules. The company will detail marketing plans this week.

last minute news

C-E to gain $10 million account from K mart

Troy, Mich.—K mart will award a $10 million corporate ad campaign to Campbell-Ewald this week, from Ross Roy, its major agency (AA, Aug. 23). K mart spends about $60 million annually on broadcast via Ross Roy.

Minolta disc camera introduction set

Ramsey, N.J.—Minolta Corp. reportedly will introduce this week two versions of a disc camera, similar to Kodak's. Esty handles.

K&E expected to win Holiday Inns business

Memphis—Holiday Inns will name Kenyon & Eckhardt, New York, its new agency, replacing Young & Rubicam, according to sources. K&E won the estimated $4 million account in a runoff with Campbell-Ewald, Detroit (AA, Jan. 10).

Lipton to go national in June with Sunkist juices

Englewood Cliffs, N.J.—Lipton will roll national in June with Sunkist chilled and frozen orange juice, now in upstate New York test, Sunkist reports. Ad spending, via FCB, New York, will be equivalent to Minute Maid's estimated $8 million to $10 million budget. Lipton also is expanding Sunkist fruit roll snacks in its western region and other areas after successful testing in Los Angeles and San Francisco. Tv and print support.

(Continued on Page 8)

Record retailers enter

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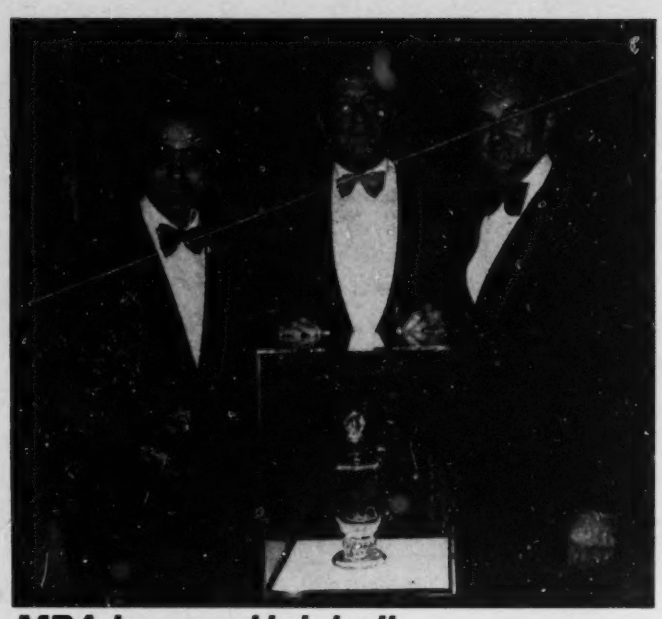

MPA honors Heiskell

Andrew Heiskell (center) retired chairman of Time Inc., received the Henry Johnson Fisher Award as magazine publisher of the year from the Magazine Publishers Assn. in New York last week. Flanking Mr. Heiskell are George Green of *The New Yorker*, MPA chairman (left), and William Gorog, MPA president. *(See story on Page 74.)*

Four A's, ANA differ on net syndication impact

By MAURINE CHRISTOPHER and RICHARD L. GORDON

Television's Big 3 are seen as benefiting from an advertising community split over the red-hot issue of network participation in domestic syndication and prime time co-production.

The split centers around separate opinions on this issue now being enunciated by the American Assn. of Advertising Agencies and the Assn. of National Advertisers.

The Four A's, in filing comments with the Federal Communications Commission, will agree that these network strictures probably should be repealed, but not at this time. The ad agencies, which placed $14.5 billion worth of tv advertising last year, want the FCC to review the situation annually in light of the gains being made by the new video forms.

The Four A's believes FCC should be prepared to act promptly to lift the barriers if the networks appear to be losing their ability to compete with pay cable for programing. It cites five factors FCC should keep in mind as it monitors the situation and moves toward repeal: Share of total viewing held by the networks, extent of real competition among tv program purchasers, changes in penetration levels of cable and the other new media forms, extent of the use of original programing by pay tv and the general financial condition of the networks.

By contrast, the agencies' clients, speaking through the ANA, last week unequivocally urged the retention of both rules before the Assn. of Independent Television Stations' national convention (AA, Jan. 17). The ANA says retention of the rules would stave off further network concentration of the tv advertising market at a time when more competition is just beginning to emerge. It suggested a review in four years to see if the marketplace had become "truly competitive."

Four A's senior vp Robert Purcell saw "no major incompatibility" between the Four A's and ANA positions. "I have seen some of the ANA drafts; they will be less emphatic about the inevitability of deregulation," he said. "We see it more likely to come sooner than they do."

ANA's formal FCC statement cites three major reasons for opposing the networks' request. The sponsors warn that repeal would "harm the independent tv stations and the newer media such as cable and the superstations, reduce the public's viewing options and make tv advertising less effective, less efficient and more costly."

The higher advertising costs would be particularly damaging for smaller marketers, who can't afford network tv, the ANA noted.

Jan. 26 is the deadline for the initial round of comments on the networks' petition to be allowed to compete unfettered in programing,

(Continued on Page 70)

FCB buys Philly's Lewis & Gilman

By CHRISTY MARSHALL

Still intent on achieving growth through acquisition, Foote, Cone & Belding is buying Lewis & Gilman, Philadelphia's largest agency. The agency will be merged with FCB's Aitkin-Kynett subsidiary, which is that city's fourth-largest agency. Terms were not disclosed.

Since the final legal and financial details are still being worked out, the merger is not expected to be completed until late March or early April. Robert Wilder, 62, president of Lewis & Gilman, becomes chairman-chief executive officer of the new Philadelphia agency, as yet without a name, while John Newhall, 49, chairman of Aitkin-Kynett, becomes president-chief operating officer.

The merged operation will have combined billings of more than $90 million, about $60 million of that coming from L&G. "The two agencies together really add up to a

(Continued on Page 70)

Cpywrtr needs rm w/vu of agy

By PAT SLOAN

NEW YORK—Ken Segall has a leg up on most of his fellow apartment seekers here. In a city where rentals seemingly are about as common as job openings in Detroit, the Chiat/Day copywriter was able to make a direct appeal via a page ad in the *New York Times* last week.

Run on standby, the ad cost $8,000. But Mr. Segall didn't have to reach into his own pockets to pay for his plea. His need for a new apartment was partially the result of his agency's moving downtown to lower Fifth Avenue, so the agency paid for the ad written by Mr. Segall.

In the ad, the agency's move was heralded and several plugs were made for new business, all as humorously as possible.

The copy concludes, "So please if you know of any apartments, call me at the office. The new number is 807-4000. And if you need advertising that's great instead of just good, call Jay Chiat. Same number. He'll be happy to talk to you about your business. He's got time to. He's not looking for a place to live."

Mr. Segall has received 50 calls on apartments and "at least 25 other

(Continued on Page 74)

highlights

Monday, January 24, 1983

Canada Dry has joined the caffeine-free melee with a five-week ad blitz to remind consumers that its ginger ale is caffeine-free. *See Page 6.*

Alberto-Culver signed a licensing agreement with Children's Television Workshop for development of a line of children's personal care products bearing such names as Big Bird, Oscar the Grouch and Cookie Monster. *See Page 6.*

Car marketers that used to aim for distinctions without differences now are looking forward to a little diversity in product lines. *See Page 10.*

Group W Satellite Communications is attempting to link seven cable networks affiliated with Group W and ABC to sell synchronized advertising time that would enable advertisers to "roadblock" on cable with a single buy. *See Page 12.*

Pabst Brewing is returning to Young & Rubicam, Chicago, with the assignment of its Olympia and Pabst Extra Light brands. *See Page 14.*

In a marketing move geared to spur camera sales—and thereby boost photoprocessing revenues—Nimslo Corp. reportedly will drop the price of its 3-D camera by the end of the first quarter. *See Page 14.*

A.H. Robins Co. plans to introduce the first consumer-advertised 12-hour liquid cough syrup after obtaining licensing rights for the delivery system from Pennwalt. *See Page 20.*

Five different covers for separate regional issues of *International Management* are a sign of the new investment McGraw-Hill is prepared to put behind the magazine. *See Page 24.*

After ordering Kroger to conduct future price surveys in a "competent and reliable manner," an action Kroger challenged in court, the FTC and Kroger jointly have agreed on a new compromise FTC order. *See Page 36.*

With all their marketing might, car makers can do little to hold back the tide of consumers who want bigger, thirstier cars. *See Page 41.*

Armour Food joined the increasing number of companies using commercials closed-captioned for the deaf, with a new spot for its Dinner Classics. *See Page 41.*

ABC-TV will air new prime time programs this summer as a proving ground for low-budget production concepts and as alternative to reruns. *See Page 52.*

A Doyle Dane Bernbach study has found that consumers 25 to 49-years-old feel they are "sliding down the economic scale" faster than at any time in the last two years. *See Page 58.*

Some prime time sponsors are scurrying to avoid "Winds of War" and "Thorn Birds" nights as the tv nets prepare for spring tryouts. *See Page 70.*

Seagram plans the national rollout of another rum drink, Myers's Original rum cream, following close on the heels of its new Captain Morgan's label. *See Page 74.*

CORPORATE CLOSEUP

After 10 years as a subsidiary of larger companies, the two former investment bankers who bought Vita Food Products say they've hit on a marketing strategy to rescue the company. *See Page 4.*

MAGAZINE

Marketers of the USFL football team, the Chicago Blitz, are extolling the joys of football in order to woo fans and the media. *See Page M-4.*

Corporate Image advertising: Though some in the business world have yet to be convinced that corporate advertising makes any real contribution to a company's profits, large corporations persist in launching massive ads campaigns to better their image before the public eye. *See Page M-9.*

In a speech before the National Advertising Review Board, FTC chairman James Miller airs his views on advertising regulation. *See Page M-44.*

REGULAR FEATURES

ADBEAT	64	VIDEOTECH UPDATE	50
ADVERTISING MARKETPLACE	61	VOICE OF THE ADVERTISER	60
AGENCY PEOPLE	60	WASHINGTON BEAT	34
CON-SID-ERATIONS	16	WORLD NEWS ROUNDUP	3
CORRECTIONS & CLARIFICATIONS	6		
EDITORIAL VIEWPOINT	16		
FOR THE RECORD	69		
MEDIA PEOPLE	28		
PHOTO REVIEW	22		
PRESSTIME	8		
REGIONAL NEWS	54		

FIGURES TO FILE

ADVERTISING PAGES IN JANUARY
CONSUMER PUBLICATIONS 57

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Coors sets full-bodied beer brand

By ROBERT REED

Adolph Coors Co. plans to introduce a new premium-price beer, one that possesses a heavier, more full-bodied taste than the lighter Coors flagship.

The new beer is designed to be a major component of the brewer's market expansion, now in progress with its southeastern push. Company officials declined comment.

Additionally, Miller Brewing Co. has approved a new advertising campaign for its Special Reserve superpremium and is scheduling production of the brand again, according to an industry source. There is a possibility that, as part of the new look, the beer has been renamed. That could not be confirmed at press time; Miller would not comment on the brand.

The name of the new Coors brew is still to be determined, but the company's Chicago agency, Foote Cone & Belding, is working on test market advertising, sources say. The beer will be introduced into the Southeast areas where the Golden, Colo., brewer is now concentrating its efforts.

The debut of another Coors premium beer marks a strategy shift for the brewer, since that price po-

(Continued on Page 73)